



*United States Attorney  
Southern District of New York*

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**FORMER LEHMAN BROTHERS BROKER PLEADS GUILTY IN U.S. COURT  
TO LAUNDERING \$11 MILLION FOR FUGITIVE MEXICAN GOVERNOR**

DAVID N. KELLEY, the United States Attorney for the Southern District of New York, JOHN P. GILBRIDE, the Special Agent in Charge of the United States Drug Enforcement Administration ("DEA") in New York, joined by MICHAEL J. THOMAS, the Special Agent in Charge of the United States Internal Revenue Service, Criminal Investigation Division ("IRS-CID") in New York, MARTIN FICKE, the Special Agent in Charge of the Department of Homeland Security, Bureau of Immigration and Customs Enforcement ("ICE") in New York, ANDREW ARENA, the Special Agent in Charge of the Federal Bureau of Investigation Criminal Division ("FBI") in New York, RAYMOND W. KELLY, the Commissioner of the New York City Police Department (the "NYPD"), and WAYNE E. BENNETT, the Superintendent of the New York State Police ("NYSP"), all of whom are members of the New York OCDETF Strike Force (the "Strike Force"), jointly announced that CONSUELO MARQUEZ, a former investment representative with Lehman Brothers, pled guilty today in Manhattan federal court to conspiring to launder

approximately \$11 million in drug proceeds for the former governor of a Mexican state.

MARQUEZ worked as an investment representative for Lehman Brothers from 1995 to 2000, and managed accounts at Lehman owned by MARIO ERNESTO VILLANUEVA MADRID, then-governor of the Mexican state of Quintana Roo, where the resort city of Cancun is located. VILLANUEVA MADRID, it was charged, received millions of dollars in narcotics proceeds from a notorious Mexican cocaine cartel, in exchange for which the governor provided Quintana Roo police and other government resources to the cartel, to protect and even transport the cartel's massive cocaine shipments as they traveled through the state.

With the assistance of MARQUEZ, VILLANUEVA MADRID established numerous brokerage accounts at Lehman in the names of British Virgin Islands shell corporations, and deposited into these accounts millions of dollars in narcotics proceeds obtained from the cocaine cartel. In March 1999, as he was being investigated by Mexican authorities for his illegal activities, the governor's term expired, and with it his immunity from prosecution under the Mexican constitution. The governor fled justice before he could be apprehended, and remained a fugitive for over two years.

In the weeks and months surrounding his flight, MARQUEZ assisted in the liquidation of the millions in narcotics proceeds

the governor had deposited at Lehman, through a series of wire transfers totaling more than \$11 million. These transfers were made through an account at the Mexican bank Banamex that MARQUEZ had secretly opened in the name of "Lehman Brothers Private Client Services." A large portion of the illicit proceeds - over \$7 million - were then transferred by MARQUEZ into an account at Lehman Brothers that MARQUEZ had opened in the names of a non-existent Mexican family.

During her plea before United States District Judge NAOMI REICE BUCHWALD, MARQUEZ admitted that she had seen articles about the Mexican government's criminal investigation of VILLANUEVA MADRID, and had discussed the investigation with the governor. MARQUEZ admitted that she had intentionally avoided looking into the matter further, or informing her superiors at Lehman, so that she could continue to receive commission income from managing the governor's accounts.

The offense to which MARQUEZ pled guilty carries a maximum prison sentence of 10 years, and a maximum fine of \$22 million. MARQUEZ also faces sentencing on 16 counts of bank and wire fraud related to her management of other accounts at Lehman Brothers. MARQUEZ pled guilty to the fraud offenses in September 2004. The sentence will be determined by Judge BUCHWALD after a hearing, which has not yet been scheduled.

Ex-governor VILLANUEVA MADRID was located by Mexican authorities with the assistance of the Merida, Yucatan, Office of the U.S. Drug Enforcement Administration, and arrested in May 2001. He is in custody in Mexico, facing charges brought by the Mexican government, and awaiting extradition on U.S. Indictments filed in the Southern District of New York, charging him with narcotics importation conspiracy and money laundering offenses. The notorious Mexican cocaine cartel VILLANUEVA MADRID assisted, known as the "Juarez Cartel," has been dismantled as a result of the joint U.S.-Mexican investigation. Cartel bosses ALCIDES RAMON MAGANA, JESUS ALBINO QUINTERO MERAZ and GILBERTO SALINAS DORIA have been arrested in Mexico pending extradition on Southern District cocaine importation charges. Another cartel leader, JORGE MANUEL TORRES TEYER, was arrested in Belize and successfully prosecuted in the Southern District, and is serving a 38-year sentence. Cartel lieutenants GEORGE ENRIQUE HERBERT, VICTOR MANUEL ADAN CARRASCO and OSCAR MORENO AGUIRRE, also arrested in Belize and convicted in this District, are serving sentences of 33 years, 22 years and 18 years, respectively.

The charges against MARQUEZ are being prosecuted by the Office's International Narcotics Trafficking Unit, which handles prosecutions of major international narcotics and money laundering organizations. The Office is being assisted by the

New York Organized Crime Drug Enforcement Strike Force, which is comprised of agents and officers of the Drug Enforcement Administration, Federal Bureau of Investigation, Bureau of Immigration and Customs Enforcement, Internal Revenue Service, United States Marshals Service, New York City Police Department and New York State Police.

Mr. KELLEY praised the investigative efforts of the Strike Force, the DEA's Mexico-Central America Regional Office and in particular the DEA's Merida, Yucatan, Resident Office, which spearheaded the foreign aspect of the investigation. Mr. KELLEY also thanked the Mexican Attorney General's Office and Lehman Brothers for their continued cooperation in the investigation. In particular, Mr. KELLEY singled out the efforts of Deputy Attorney General of Mexico Jose Luis Santiago de Vasconcelos, who vigorously pursued the Juarez Cartel in Mexico in unprecedented cooperation with U.S. authorities.

Mr. KELLEY stated: "The message this conviction sends to the financial community is clear: those who adopt a 'don't ask-don't tell' approach toward the money they manage do so at their own peril. Foreign drug kingpins, as well as a host of other dangerous criminals who pose a threat to our communities, rely heavily on the international money laundering network to

profit from their crimes and keep them going. This Office will not tolerate members of the financial industry being accomplices in this network."

Assistant United States Attorneys ANIRUDH BANSAL, LAUREN GOLDBERG and LAUREN OUZIEL are in charge of the prosecution.

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